



Council Report of the AUS VP Finance

October 15st, 2014

Prepared by Li Xue

Housekeeping/Updates:

After having met with the VP Finances of Departmental Associations to resolve rollover amounts last week, all the Departmental Association budgets are due today. The Financial Management Committee is meeting this Friday (October 17th), so if your budgets are submitted by midnight tonight, they'll be on the agenda.

Financial Management Committee (FMC) Business:

We've approved a few funding applications already. Currently, there is \$14,023 left in the Journal Fund, \$16,000 left in the Supplementary Fund, and \$9,100 left in the Special Projects Fund.

With regard to Bar des Arts, a preliminary report was made by Rona Hunter (FMC Representative to Council) and Blanche Ajarrista (FMC Member and BDA Publicity Manager) after they attended on October 2. Following the initial report, the FMC discussed BDA's set-up, ways to reduce the deficit, and came up with a few recommendations: using more accountable ticketing system (currently tickets are recycled), negotiating for lower supplier prices, tightening the inventory system, and reducing overstaffing. I have also copied all relevant BDA invoices/receipts to Hasan Nizami (FMC Member and SNAX Manager) for operations management analysis. Rona, Blanche, and Hasan are working with the VP Social to bring BDA to roughly break-even. The VP Social has been very accommodating to the FMC so far with sharing the inventory and staffing lists, so I expect that by late October, we'll have a working action plan to implement.

The FMC also discussed the financial aspect of Frosh, and has appointed Sam Higgs (FMC Member and VP Finance 2013-2014) to write Financial Frosh Bylaws to be submitted along with those written by the Equity Commissioners. Further, it was noted that there is a disjoint between the portfolio of the VP Social and the VP Finance, despite there being a strong need for coordination between the social committees and the financial arm of the AUS. It was suggested that having somebody tasked with financial coordination be appointed on EPIC, who would also sit on FMC, or having someone on FMC also sit in EPIC to advise. Ava Liu (AUS President) and I will be pursuing this possibility further.

Our beloved SNAX has hit a bit of a road bump. The sale of sandwiches is not allowed as per our Memorandum of Agreement with McGill University, so we'll be approaching that issue soon since MoA negotiations are coming up.



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Lastly, a large topic of discussion for the FMC was what to do with our idle funds. Currently, the AUS has \$265,000 in GICs-- \$165,000 in a non-redeemable 3 year GIC, and \$100,000 in redeemable GICs (their interest rates are 0.8% and 0.9%, with \$50,000 in each). The two main ideas that sprung from our discussion were: an investment in space (capital investment), and creating an investment portfolio. Due to concerns about the organizational structure of the AUS (annual executive turnover, inability to establish long-term financial goals, inability to enforce care over the summer, the purpose of the funds being to benefit current AUS members instead of accruing money), the idea of the AUS investing in the stock market or other securities was shelved. However, I would like to note that these concerns were strictly about AUS students managing a portfolio; I am still considering the possibility of outsourcing investment to a money manager, institutional fund, etc. On the other hand, the idea to invest in space was welcomed. Some ideas that were tossed around were investing in the Ferrier Garden, buying or revamping a space. We would love to hear your ideas on this!

Miscellaneous:

Buy the items you've been approved for from AUIF. If you need the list of items you've been approved for, email me!

Respectfully submitted,

Li Xue
AUS VP Finance